

9.2 Numeracy Skills in the Workplace

Estimating

Workers usually have to be quite accurate in their measurements and calculations. In some cases, though, it is helpful to work out a rough, or *approximate*, measurement. This is called *estimating*.

For example, you can estimate the amount of paper to put in a photocopier when it runs out. Say the tray for the paper holds 200 sheets. It is a waste of time to count out exactly 200 sheets of paper, so a person will estimate the amount of paper it would take to fill the tray.

Estimating can also be used to check whether an answer to a numeracy question is likely to be right.

Estimating is also used in quoting prices for jobs. If a person wants, for example, to tile their bathroom, they will usually ask a tradesperson for a quote. The tradesperson will estimate how many tiles will be needed, and how much time it will take to do the job. This will help them to work out how much to charge the customer.



ACTIVITY

Numeracy in the Workplace

Estimating

When working with food such as flour, supplies are often bought in bulk. Imagine you work in a cafe which makes its own cakes for customers to have with their coffee. The flour supplies to make these cakes are delivered in bulk. Your boss is away for the month. You need to estimate the amount of bulk flour supplies needed for cakes for the next month's order. You know the cafe uses approximately three cakes per day, and each cake takes 450 grams of flour.

- 1) 450 grams is nearly 500 g, or half a kilogram. If you need about half a kilogram for one cake, how much flour would you need to make three cakes?

$\frac{1}{2}$ kg \times 3 = $1\frac{1}{2}$ kg. Put into decimals, $0.5 \times 3 =$ _____ kg.

- 2) If there are 30 days in the next month, approximately how much flour will you use in this month?

$30 \times 1\frac{1}{2}$ or, put into decimals, $30 \times 1.5 =$ _____ kg.

- 3) A chocolate cake needs 110 grams of chocolate. The chocolate comes in 250 g blocks. How many blocks of chocolate are needed to make four chocolate cakes?
- 4) An ice-cream cake needs 175 mL of sweetened condensed milk. If the condensed milk comes in cans of 600 mL, how many cans are needed to make 12 ice-cream cakes?
- 5) A recipe for a sauce needs 40 g of butter. If butter comes in 250 g packets, how many packets of butter are needed to make nine serves of sauce?

Exact Calculations

Of course there are times when getting a rough idea or estimating is not good enough. An exact answer might be required, using a standard unit of measurement. A rule, a tape measure or a set of scales all measure things using a standard unit of measurement. Metres, kilometres, grams and litres are all examples of standard metric units of measurement. For exact calculation it is important that care is taken and that answers are checked.



ACTIVITY

Numeracy in the Workplace

Exact Calculations

- 1) Using a 30 cm ruler, measure the exact length of the following objects.

Item	Length (cm)
Pen	
A4-sized paper	
Book	
Pencil case	
Shoe	

- 2) Using a set of kitchen scales, measure the weight of the following objects.

Item	Weight (g)
Book	
Pencil	
Shoe	
Chalk stick or whiteboard marker	
Glue stick	

Calculating to the Nearest Unit

Sometimes calculations are made to the nearest unit, such as the nearest kilogram, kilometre or group of ten.

For example, when ordering office supplies, an exact order may not be possible. The office may want 67 folders, but folders only come in packets of ten. A calculation to the nearest unit (in this case a packet of ten) is needed to make sure the office has the number of folders it requires.

In this case, an order for seven packets of folders will make sure that there are enough folders available when they are needed, with three folders spare.



ACTIVITY

Numeracy in the Workplace

Calculating to the Nearest Unit

1) You want to order:

- a) 50 boxes of staples. They come in cartons of 50. How many cartons would you need to order? _____
- b) 964 folders. They come in packs of 10. How many packs would you need to order? _____
- c) 373 pens. They come in packs of 100. How many packs would you need to order? _____
- d) 72 boxes of envelopes. They come in cartons of 50. How many cartons would you need to order? _____
- e) 7543 labels. They come in packs of 1000. How many packs would you need to order? _____

Calculating Parts of the Whole

Not all calculations in the workplace will fit neatly into whole or full units. Often calculations of amounts such as a half ($\frac{1}{2}$ or 0.5), a quarter ($\frac{1}{4}$ or 0.25) or three quarters ($\frac{3}{4}$ or 0.75) are needed. These may need to be exact or an estimate.

To estimate the value of a fraction or its decimal, equivalent conversions are needed. For example, a worker may need to know that $\frac{1}{2}$ (0.5) a kilogram is equal to 500 grams, because this is the unit of measure on the set of scales (s)he will use.



ACTIVITY

Numeracy in the Workplace

Calculating Parts of the Whole

1) Complete the following table using this information.

1 kilogram = 1000 grams

1 metre = 100 centimetres

1 litre = 1000 millilitres

Equivalent Conversions			
500 grams	=	$\frac{1}{2}$ kilogram	= 0.5 kilograms
250 millilitres	=	$\frac{1}{4}$ litre	=
75 centimetres	=	$\frac{3}{4}$ metre	=
750 millilitres	=	_____ litre	=
_____ grams	=	$\frac{3}{4}$ kilogram	=
50 centimetres	=	_____ metre	=
500 millilitres	=	_____ litre	=
250 grams	=	_____ kilogram	=
_____ millimetres	=	$\frac{1}{2}$ metre	=

9.3 Getting to and from Work

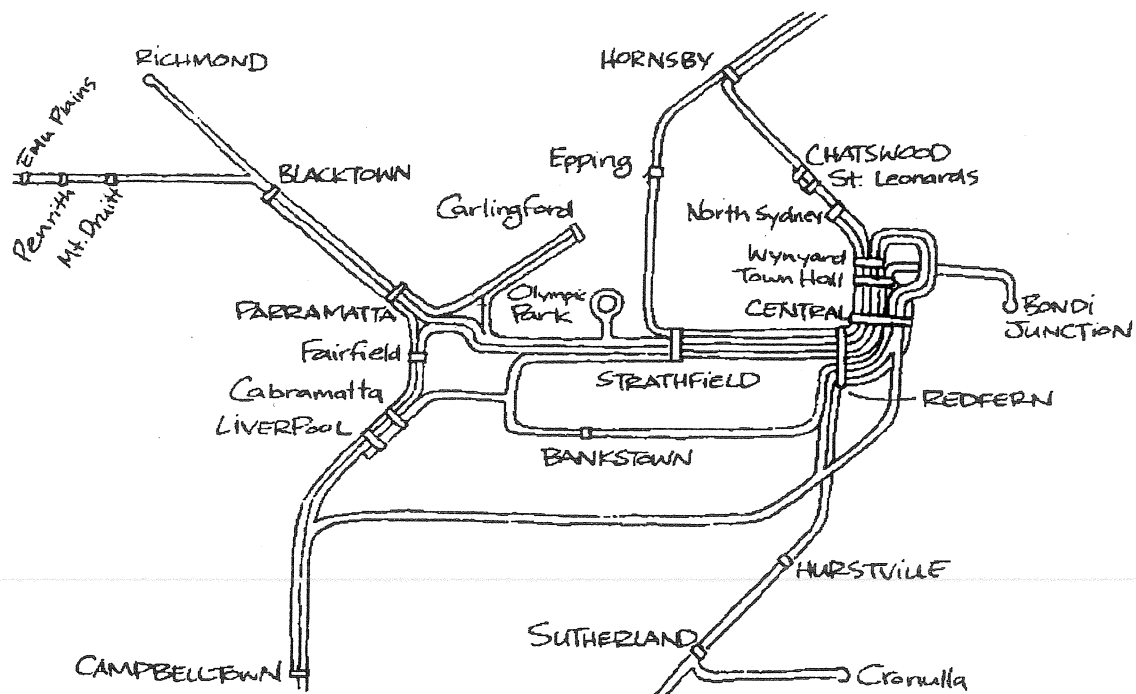
Reading Train Timetables

Using trains, particularly in city or metropolitan areas, can be a quick and cost-effective way to get to work.

CityRail, the rail system that services greater Sydney (the city and its suburbs) is the largest rail network in New South Wales.

If you learn how to use the rail system, your journeys can be completed in the shortest possible time.

This diagram shows the rail network for the Sydney metropolitan area.



CityRail provides train timetables for each suburban line.

The timetable gives the times of all trains that go from the last station on that line to the city. For example, the Blue Mountains timetable gives all trains from Lithgow to North Sydney.

A train timetable shows train times in four different sections:

- Monday to Friday — forward journey
- Monday to Friday — return journey
- Saturday, Sunday and public holidays — forward journey
- Saturday, Sunday and public holidays — return journey.

When travelling from a station on one line to a station on another, work out what station both lines have in common.

For example, the rail network diagram shows that it is not possible to travel directly from Blacktown to Hornsby. The commuter must get off at Strathfield and catch a different train to Hornsby.

To work out the times of the trains from Blacktown to Hornsby requires two timetables. A commuter would need to work out the time that the train goes from Blacktown to Strathfield, as well as the time of the train from Strathfield to Hornsby.

If a timetable is not available, CityRail has an InfoLine that provides timetable information. The number is 131 500. This service gives information on government train, bus and ferry services. It is available from 6 am to 10 pm every day. This information is also on CityRail's website at www.staterail.nsw.gov.au



ACTIVITY

Getting to and from Work

A. Planning a Journey

Use the rail network diagram to answer the following questions.

1) Do I need to change trains if I travel from:

- a) Strathfield to Redfern? _____
- b) Parramatta to Hornsby? _____
- c) Hurstville to Bankstown? _____
- d) Chatswood to Bondi Junction? _____
- e) Mount Druitt to Parramatta? _____

2) What station do I need to change trains at if I want to travel from:

- a) Richmond to Liverpool? _____
- b) Epping to Chatswood? _____
- c) Sutherland to Liverpool? _____
- d) Olympic Park to Cabramatta? _____
- e) Carlingford to Fairfield? _____

B. Reading Train Timetables

Use this Lithgow–Central train timetable information to answer the following questions.

	am	am	am	am	am
Lithgow	~	6.39	~	~	7.39
Zig Zag	~	~	~	~	7.44
Bell	~	6.57	~	~	7.57
Mt Victoria	6.45	7.07	~	~	8.07
Blackheath	6.51	7.13	~	~	8.13
Medlow Bath	6.57	7.19	~	~	8.19
Katoomba	7.04	7.26	7.57	~	8.26
Leura	7.07	7.29	8.00	~	8.29
Wentworth Falls	7.13	7.35	8.06	~	8.35
Bullaburra	7.18	7.40	8.11	~	8.40
Lawson	7.21	7.42	8.13	~	8.42
Hazelbrook	7.24	7.45	8.16	~	8.45
Woodford	7.28	7.49	8.20	~	8.49
Linden	7.32	7.53	~	~	8.53
Faulconbridge	7.37	7.58	8.28	~	8.58
Springwood	7.42	8.02	8.32	8.46	9.02
Valley Heights	7.45	8.05	8.35	8.49	9.05
Warrimoo	7.48	8.08	8.38	8.52	9.08
Blaxland	7.52	8.12	8.42	8.56	9.12
Glenbrook	7.57	8.17	8.47	9.01	9.17
Lapstone	8.01	8.21	8.51	9.05	9.21
Emu Plains	8.10	8.29	8.59	9.13	9.29
Penrith	8.13	8.32	9.02	9.16	9.32
Blacktown	8.29	8.48	9.18	9.32	9.48
Westmead	8.35	~	~	9.38	9.54
Parramatta	8.38	8.56	9.26	9.41	9.57
Granville	~	9.00	9.30	~	~
Strathfield	8.49	9.09	9.39	9.53	10.09
Redfern	8.59	~	~	~	~
Central	9.03	9.23	9.53	10.07	10.24

- 1) If you lived at Springwood and were travelling to Central, which train would you catch to arrive there before 9.20 am? _____
- 2) The train that leaves Penrith at 8.13 am arrives at Central at _____.
- 3) The train that arrives at Blacktown at 8.48 am leaves Emu Plains at _____
- 4) If you had to be at Strathfield at 9.45 am, which would be the best train to catch from Blacktown? _____
- 5) If John caught the 8.56 am from Parramatta and Robyn caught the 8.32 am from Springwood, who would arrive at Central first? _____
- 6) How many stops does the train make between Springwood and Central?
- 7) If you missed the 8.28 am from Faulconbridge, the next train you could catch would leave at _____.
- 8) The train that arrives at Central at 10.07 am starts where? _____

Buying a Ticket

When travelling by train, a valid ticket is required for the trip being taken. A valid ticket only covers the trip:

- on the day of issue
- between the train stations on the ticket.

A single day ticket bought on Monday cannot be used on Wednesday, even if the ticket was not used on the day it was purchased.

A ticket to Parramatta cannot be used to travel to a different destination.

For people working full-time or part-time over four or more days of the week, it is usually cheaper to buy a *weekly* ticket. A weekly ticket is valid for seven days from the day it is purchased. This means a weekly ticket bought on a Wednesday is valid until the end of the next Tuesday. A weekly ticket does not have to be purchased on a Monday.

Weekly Ticket

A weekly rail, ferry or bus ticket can be used for seven days in a row.

Quarterly (tickets valid for three months) and yearly tickets are also available. These are expensive to buy and may cause problems if you change jobs.

People who have a *concession pass* can travel at much less than full-fare prices. A person with a concession pass must show the pass when buying a ticket. If using a ticket-vending machine then the concession ticket button must be pressed. The concession card should always be carried, as a ticket inspector may ask to see it at any time during the trip.

Remember: there is a substantial fine for travelling without a valid ticket.



ACTIVITY

Getting to and from Work

Buying a Ticket

Write whether each statement is true or false.

- 1) If you don't have a valid ticket and an inspector is on the train, you can just pay the inspector the fare and continue the trip. _____
- 2) If you buy a single day ticket today but don't use it, you can use it tomorrow instead. _____
- 3) If you work more than four days per week, it is cheaper to buy a weekly ticket than single day tickets. _____
- 4) If you buy a ticket from the city to Penrith, you can use the same ticket to go from the city to Cronulla instead. _____
- 5) You can only buy a weekly ticket on Mondays. _____
- 6) The only types of tickets available are single day and weekly tickets. _____
- 7) People who have a concession pass, for example pensioners, can travel for less than full fare. _____

Using Ticket Vending Machines

At peak times and during the day, you can buy a ticket at most stations from CityRail staff over the counter.

At some stations and at off-peak times, you might need to use a Ticket Vending Machine (TVM). The TVM will work out your fare and give you change.

You do not need the exact money to use a TVM. The machine accepts 10c, 20c, 50c, \$1 and \$2 coins, and \$5, \$10 and \$20 notes.

Steps to Follow

1. Push the button next to the station you wish to go to. This is called your *destination*. All of the stations in the Sydney metropolitan area are listed on the TVM in alphabetical order.
2. Push the button next to the *type* of ticket you want to buy. The choices you have are:
 - single — this means you can only use the ticket for one trip
 - return — means you can travel to another station and return to the station you left from
 - rail weekly — this ticket is valid for seven days from the station you are at to your destination and back as many times as you like in the seven-day period
 - city hopper — this is a return ticket to the city which also allows you to catch buses or trains in the city as many times as you want on the day that you buy the ticket. It costs more than a normal return ticket, but if you are going to catch more than two trains or buses in the city, it will usually save you money.

If you have a concession card, press the button next to the type of concession which applies to you. If you don't do this, you will be charged full adult fare.

Types of Concession Cards

- pensioner
- student
- apprentice

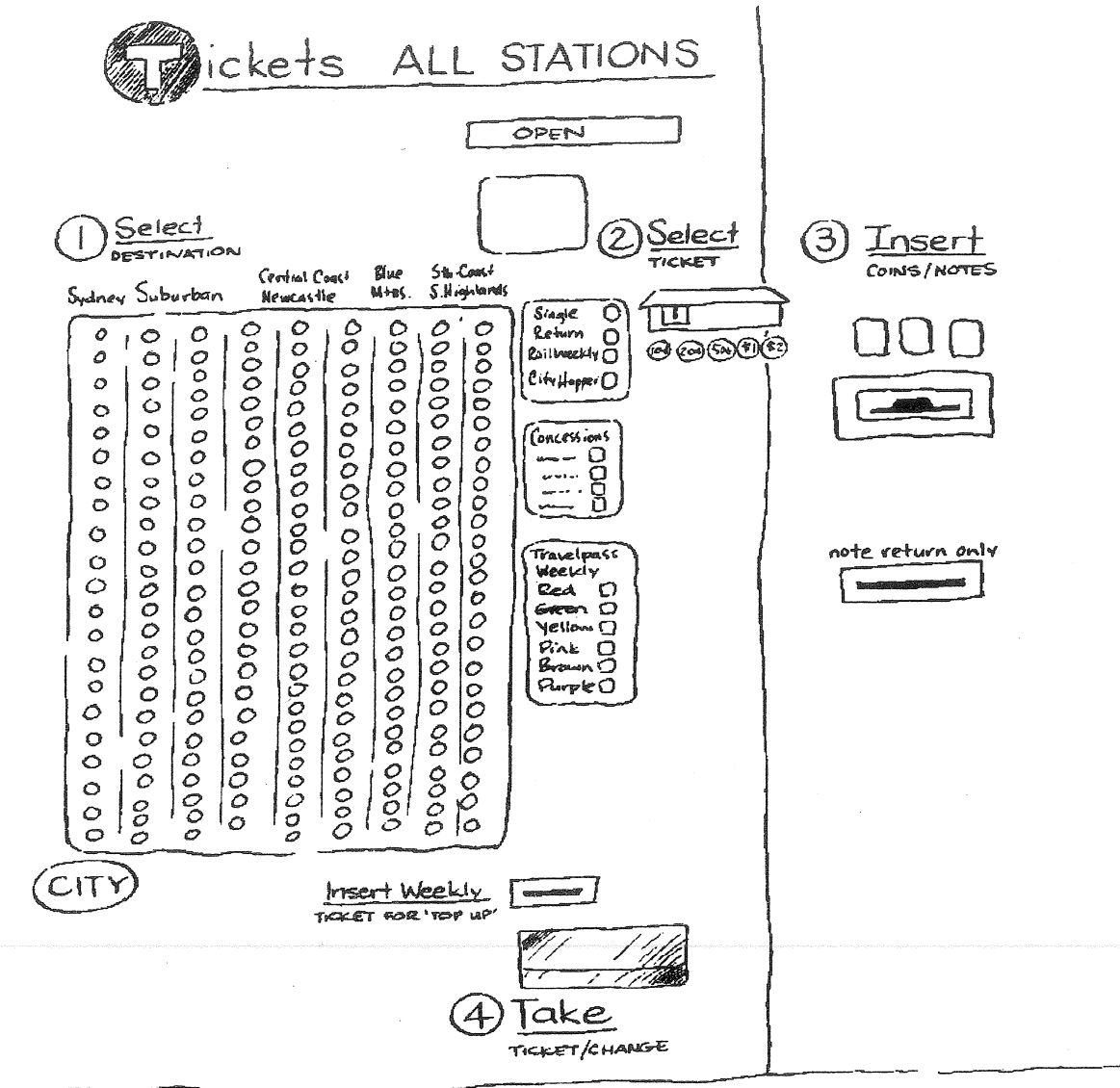
3. Once you have made your selections by pressing the correct buttons, you need to insert your money into the machine. The amount owed for the ticket you have selected will be shown on the TVM.

You need to insert at least that amount of money or more for your ticket to be printed. The TVM will automatically work out how much change you should get.

Be aware: the TVM will only accept notes that are fed into the machine the right way up. Follow the instructions on the machine.

4. Once you have inserted your money, the ticket will be printed and your change, if any, will drop into the slot indicated. You need to take your ticket and keep it with you in a safe place, because you could be asked to show it by a CityRail staff member or a police officer at any time during your journey.

Ticket Vending Machine



9.4 Getting Paid for Work

Salaries and Wages

Workers are paid a salary or wage.

Wages are paid by an hourly rate. If you get a job which pays wages, it may be advertised in dollars per hour — for example: 'Kitchen Assistant, \$6.25 per hour'. It may also be advertised as a weekly amount — for example: 'Kitchen Assistant, \$250 per week (this is the same as 40 hours at \$6.25 per hour).

A *salary* is the amount paid each year. The yearly amount is divided up into weekly, fortnightly or sometimes monthly amounts. If you are on a salary and you work longer than your normal hours, you are usually not paid overtime. Any extra hours put in are usually in your own time with no extra pay.

Jobs which pay a salary are usually advertised with an amount per year stated. For example: 'Accounts Clerk, \$18 000 p.a.' (p.a. means per annum, or per year). Sometimes advertisements use the letter 'K' after the salary amount — for example: 'Accounts Clerk, \$18K' (which means \$18 000).

Pay Advice Slips

How much you earn each pay period (usually a week or a fortnight) is recorded on a *pay slip*. This gives a written record of your pay details, and allows you to check that your pay is correct.





ACTIVITY

Getting Paid for Work

Pay Advice Slips

Pay slips can come in many different forms. This is just one example.

FOILED AGAIN HAIR STUDIO**Personal and Confidential**

Employee serial no. 0353344

Ms FIONA WILSON

For week ending: 25 05 00

Payment method: EFT – Axis C. Union / Bankstown

Ordinary hours: 35 @ 7.25 p.h

O/T hours: 4 @ 14.50 p.h

	AMOUNT THIS PAY	YTD
BASIC PAY	253.75	10885.75
ADDITIONAL EARNINGS	58.00	290.00
	311.75	11175.75
DEDUCTIONS		
Tax – Regular	– 77.95	– 2721.45
TOTAL NET PAY	233.81	8454.30

Classif. F/T CASUAL

Use this example to answer the following questions.

- 1) How many hours did Fiona Wilson work this week? _____
- 2) Did she work any overtime this week? _____
- 3) What is Fiona's hourly rate? _____
- 4) How much tax did Fiona pay this week? _____
- 5) What was Fiona's gross pay this week? _____
- 6) What was her net pay? _____

- 7) How much has Fiona earned for the year so far?
(Hint: YTD means 'year to date'.) _____ gross, _____ net
- 8) How much overtime has Fiona earned so far this financial year? _____
- 9) How much income tax has she paid so far this financial year? _____
- 10) How was Fiona paid —
cash, cheque or direct deposit into her account? _____

Calculating Your Pay

To work out how much you earn, multiply the amount you earn per hour by the number of hours you work:

Pay = hourly rate x number of hours worked.

This works out your *gross* pay, before tax and any other deductions are taken out. The amount you receive in your pay packet will be your *net* pay (the amount you get after tax is taken out).

For example:

Katie works at the Super Burger Restaurant and is paid \$5.23 per hour. How much does she earn for a three-hour shift?

Hourly rate x number of hours
= 5.23×3
= 15.69

Katie earns \$15.69 for a three-hour shift.



ACTIVITY

Getting Paid for Work

Calculating Pay

Use working-out paper to calculate the following, then write your answers in the spaces.

1) Martina works at a take-away shop, earning \$6.24 per hour.

a) Last week she worked 17 hours.
How much did she earn before tax?

b) On next week's roster, she has $23\frac{1}{2}$ hours' work.
How much will she earn before tax?

2) Lewis is a painter. His weekly pay is \$576.
How much does he earn in a year before tax?

3) Tom is an office assistant. He is paid \$13.80 per hour.
How much does he earn before tax when he works:

a) a $7\frac{1}{2}$ -hour day?

b) a $37\frac{1}{2}$ -hour week?

4) Christy works at Party Pizza. Last week she worked 25 hours and earned \$293.75.

a) How much does she earn per hour?

b) During the school holidays, she worked $35\frac{1}{2}$ hours in the first week and 33 hours in the second week.
How much did she earn before tax in the school holidays?

5) Jeff works at Butler's Butchery. The hours he worked last week are given below.

Monday	9 am – 12 noon	1 pm – 5 pm
Tuesday	9 am – 12 noon	1 pm – 5 pm
Wednesday	8 am – 12 noon	
Thursday	9 am – 12 noon	1 pm – 6 pm
Friday	10 am – 12 noon	1 pm – 5 pm
Saturday	8 am – 12 noon	
Sunday		

- a) How many hours did he work on Monday? _____
- b) How many hours did he work last week? _____
- c) His pay is \$11.70 per hour.
How much did he earn last week before tax? _____

Overtime

If you are paid wages, any extra work that you are asked to do is called *overtime*.

Many awards and agreements now allow staff who work overtime to accept leave *in lieu of* (instead of) overtime. The amount of leave is calculated according to the *penalty rate* the worker is entitled to. For example, if the worker is entitled to double time penalty rates, they are entitled to two hours of leave for each overtime hour worked.

Overtime is paid at a higher rate than normal hourly pay. A common penalty rate is 'time and a half'. This means that you get paid at your normal hourly rate plus half of that amount extra. For example, if your hourly rate is \$10 per hour, then your 'time and a half' rate will be \$10 plus \$5 (half of \$10) — which will make your overtime hourly rate \$15 per hour.

'Time and a half' may be paid for the first two or three hours' extra time you do on any one day. After that the overtime pay rate may increase again, usually to 'double time'. This means that you will be paid at double your usual hourly rate. If your hourly rate is \$10, then your 'double time' rate would be \$20 per hour.

Example

Cathy works in the hospitality industry. Her normal pay rate is \$8.40 per hour. She is paid time and a half for Saturdays and double time for Sundays.

Day	Start	Finish	Normal hours	Time and a half	Double time
Thursday	2.00 pm	10.00 pm	8		
Friday	2.00 pm	10.00 pm	8		
Saturday	4.00 pm	Midnight		8	
Sunday	9.00 am	3.00 pm			6
Monday					
Tuesday					
Wednesday	Noon	8.00 pm	8		
TOTAL			24	8	6

Cathy's wage is worked out by calculating her pay at each of the different pay rates, then adding the results:

$$\text{Normal hours} = 24 \times 8.40 = 171.60$$

$$\text{Time and a half} = 8 \times 1.5 \times 8.40 = 100.80$$

$$\text{Double time} = 6 \times 2 \times 8.40 = 100.80$$

$$\text{Total} = 373.20$$

Cathy's wages for the week were \$373.20.



ACTIVITY

Getting Paid for Work

Overtime

1) Jacob works as a waiter in a small restaurant. His normal rate of pay is \$9.90 per hour. He gets time and a half on Saturday and double time on Sunday.

a) Fill in Jacob's time sheet.

Day	Start	Finish	Normal hours	Time and a half	Double time
Thursday	11.00 am	5.00 pm			
Friday	11.00 am	7.00 pm			
Saturday	4.00 pm	10.00 pm			
Sunday	11.00 am	3.00 pm			
Monday					
Tuesday					
Wednesday	11.00 am	7.00 pm			
TOTAL					

b) Work out Jacob's gross pay for the week. _____

2) Kristina has a casual job in the same restaurant. She also has a base rate of \$9.90 per hour. Work out Kristina's pay in a week where she works:

- four hours on Friday night at normal rates _____
- six hours on Saturday at time and a half _____
- four hours on Sunday at double time _____
- six hours on a public holiday at double time and a half. _____

3) Michelle works behind the bar at a restaurant. She gets \$10.20 per hour at normal rates. The overtime conditions are as follows:

- Normal pay: first eight hours Monday to Friday, and first four hours Saturday
- Time and a half: any more than eight hours Monday to Friday, and any more than four hours Saturday
- Double time: all work on Sunday.

a) Complete Michelle's time sheet.

Day	Start	Finish	Normal hours	Time and a half	Double time
Thursday	Noon	10.00 pm	8	2	
Friday	2.00 pm	8.00 pm			
Saturday	4.00 pm	10.00 pm			
Sunday	11.00 am	8.00 pm			
Monday					
Tuesday					
Wednesday	Noon	10.00 pm			
TOTAL					

b) Work out Michelle's gross pay for the week. _____

Other Types of Pay

There are ways of being paid other than salaries and wages. Some of these include:

Commission

This type of payment is most common in jobs where you have to sell something. You are paid a percentage of the price paid for the goods you have sold. Car-yard, real-estate, door-to-door and insurance sales are all types of jobs which pay by commission.

Piecework

This is where you are paid for each completed piece of work you produce. This method of payment is often used in the clothing industry, where people sew clothes in their own home or in factories. Many packaging type jobs that can be done in your own home, like filling envelopes or folding hankies, are usually paid on the number that you complete.

Contracts

A contract is where you are paid a set amount for completing a set task. There has been a trend in recent years to offer projects to contract workers, rather than employing people permanently. This saves employers money, because they do not have to keep contractors employed for longer than the job takes.

Self-employment

This means that you work for yourself. Many people in service industries are self-employed. These include lawn maintenance, domestic cleaning and handyperson-type jobs.

A self-employed person is paid by the job. You tell the person wanting to use your services how much you are going to charge them to do the job they want done. This is called 'giving a quote'. When you give a quote, you need to consider:

- how much time you will need to spend on the job
- how long it is going to take you to travel to and from the job site
- the cost of the materials needed
- the cost of maintenance to any equipment of your own that you use, like electrical drills, lawnmowers, vacuum cleaners.

There are also hidden costs to being self-employed. Examples of these may be paying trades licence fees, insurance and indemnity, purchase of new equipment, advertising etc.

You still have to pay tax when you are self-employed. You will have to put money away to pay the tax each week, or you may find that you have a huge tax bill at the end of the financial year.



ACTIVITY

Getting Paid for Work
A. Commission

Commission is a percentage of a salesperson's total sales. In other words:

$$\text{Commission} = \text{percentage} \times \text{quantity} \div 100$$

For example:

Pia sells cars at 5% commission. How much would she earn if she sold a car for \$7500?

$$\begin{aligned} \text{Commission} &= 5 \times 7500 \div 100 \\ &= 375 \end{aligned}$$

Pia would earn \$375 from the sale of that car.

- 1) Pamela is a top salesperson at Tam's Motors. She is paid fortnightly, and she receives commission only. She receives 4% of her sales. How much will Pamela earn in a fortnight when her sales are:

- a) \$25 000? _____ b) \$35 000? _____
 c) \$79 000? _____ d) \$95 000? _____

B. Piecework

Piecework = amount for each piece x number of pieces completed.

For example:

A jeweller earns \$4.60 for each piece of jewellery. How much would he earn for 56 pieces of jewellery?

$$\begin{aligned} \text{Piecework earnings} &= 4.60 \times 56 \\ &= 257.60 \end{aligned}$$

He would earn \$257.60.

- 1) Susan makes canvas bags at a piece rate of \$2.60. If she makes 95 bags a week, what is her weekly pay? _____

- 2) Mark makes belts in three sizes. The piece rates for each size are: small – 75c; medium – 95c; large – \$1.50. Calculate Mark's total earnings on the chart.

Size	No. of belts	Piece rate	Earnings
Small	25		
Medium	29		
Large	27		
TOTAL			

- 3) Jason answered this advertisement and got the job. He delivers 3000 pamphlets a week. How much does he earn per week?

**Pamphlet
Letterbox delivery**

\$40 per 1000

C. Self-Employment

Use the information in the advertisement to answer the following questions. You will need working-out paper to do your calculations.

- 1) In August, Paul built 430 m of 1.5 m fencing and 246 m of 2 m fencing. How much will he receive for the work?

PAUL'S QUALITY FENCING

All quality timber

Workmanship guaranteed

1.5 m high paling fence – \$14.40 a metre

2 m high paling fence – \$17.90 a metre

- 2) Palings 1.5 m high cost Paul \$4.20 a metre; 2 m high palings cost him \$6.40 a metre. How much profit did Paul make in August?

- 3) Paul quoted Fenella \$216 to build her 1.5 m-high paling fence. How many metres of paling fence did Fenella's house require?

Taxation

The government provides the community with many services that cost a lot of money to build and run. The taxes we pay go toward building and maintaining these services.

The next time you travel on a train, drive on a road, walk in a park, or visit a school or hospital, you will be using services provided by the government using the money you pay in tax.

The amount of tax you pay depends on how much you earn. For people earning a wage or salary, the correct amount of tax for what you earn is usually calculated and taken out automatically by your employer. This is called PAYG or 'pay as you go' tax, because it is taken out of each pay you receive.

You still have to pay tax when paid by commission, piecework, contracts or when self-employed. You must keep records and save money to pay the tax owed when it is due. Calculating the tax owed is complicated when paid in these ways. You will probably need help from an accountant, tax agent or other skilled person to do this correctly.

Provisional Tax

Provisional tax is income tax paid in advance when your PAYG Withholding tax is not enough to cover the tax due. If you haven't put money away to pay for your tax, you may find that you have to find thousands of dollars to pay to the tax department.

Tax Return

The way the government works out exactly how much you should pay in tax depends on the information given on your tax return. If you are working for an employer, it is the employer's responsibility to give you a group certificate soon after 30 June each year.

PAYG Payment Summary

A PAYG payment summary is a record of how much money you earned and how much tax you have paid. If you have more than one job during the year, you will receive a payment summary from each employer. A payment summary used to be called a group certificate.

Declaring Income

Some people may think that it is all right not to declare all of their income (not tell the tax department everything they earned). Doing this is against the law. You could be fined, sent to jail, or both. The government has many ways of checking if your information is correct.

Filling in a Tax Return

Filling in a tax return can be difficult. The people you can go to in order to get help are accountants or tax agents. They will charge a fee to help you but it is their job to make sure that the return is filled in correctly. You should ask how much the fee will be before using that type of service. You may also know a family member or friend who could help you fill in your tax return.



ACTIVITY

Getting Paid for Work

A. PAYG Payment Summary

Name of Payee (surname & given name/s) JOSEPH RUEBEN BLOGGS										
Address of Employee 4 SUNSHINE STREET BEACHVILLE NSW 2999										
Payer Details ARMANI BRAKE AND CLUTCH SERVICE			Payer ABN							
Name of Authorised Person G. ARMANI		Date 30/06/2000	Group Number 102-333-40							
Deduction		Amount								
Period of Employment		From 01/07/1999 To 30/06/2000								
Total Tax Withheld - Whole Dollars in Words										
Thousands ONE	Hundreds SEVEN	Tens SEVEN	Units SIX	Cents 00						
Tax File Number 00 111 222 333										
Gross Salary, Wages, Bonus etc \$**15,000										
<table border="1"> <thead> <tr> <th>Allowances</th> <th>Amount</th> </tr> </thead> <tbody> <tr> <td>TOOLS</td> <td>\$250.00</td> </tr> <tr> <td>TRAVEL</td> <td>\$350.00</td> </tr> </tbody> </table>					Allowances	Amount	TOOLS	\$250.00	TRAVEL	\$350.00
Allowances	Amount									
TOOLS	\$250.00									
TRAVEL	\$350.00									
Total Tax Withheld (in figures) \$***1776.00										

Look at the PAYG payment summary.

- 1) What is Joseph's tax file number? _____
- 2) What was Joseph's gross salary? _____
- 3) How much tax did Joseph pay over the year? _____
- 4) What was Joseph's net income (the amount he got to take home)? _____

B. Pay Posers

- 1) John's PAYG tax deductions totalled \$10 140 (the amount he actually paid over the year), and his actual tax payable (the amount he had to pay) was \$9780. Work out how much John will get back as a tax refund. _____

- 2) Vivian pays \$178.20 PAYG tax every week. At the end of the year, the Taxation Office worked out that Vivian had to pay \$9320.40 for the year. Did she get a tax refund or did she have to pay more tax?
- 3) Cindy has \$32.20 tax deducted from her pay each week in her part-time job in a child-care centre. How much tax is deducted from Cindy's pay in one year? _____
- 4) Mike is a junior clerk in a large law company. His gross pay is \$776.92 per fortnight, and his net pay is \$590.68. How much tax is deducted from his pay each year? _____
- 5) Last year, Kelly's net pay was \$580.60 per week and her weekly PAYG tax deduction was \$183.40.
- a) How much was Kelly's gross weekly pay? _____
- b) How much tax was deducted from her wages in one year? _____
- c) What was Kelly's annual net pay? _____

